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World News Tonight

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"Intelligence Community Sources"/  
The CIA Under William Casey

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MR. TOM JARRIEL: In Washington today, there was more discussion about whether the desire to win freedom for the American hostages in Lebanon was the main motivation for the government's decision to ship arms to Iran.

Here's ABC's Bob Zelnick.

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MR. BOB ZELNICK: The White House insisted again today that President Reagan's purpose in sending arms to Iran was to forge an opening to that government and not to swap arms for hostages.

But Intelligence community sources have told ABC News that an arms for hostages deal had been advocated by CIA Director William Casey from the beginning.

The New York Times reported that a Casey memorandum had said the President was prepared to use better relations with Iran as a cover story should the deal become public. There was no confirmation of the Times report.

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Federal Judge Stanley Sporkan, formerly CIA counsel, told ABC News, "I have no recollection of any such

memorandum." Other sources said the memorandum may have been written by a third party summarizing Casey's views.

Congressional investigators insist arms and hostages were closely linked.

REP. GEORGE BROWN: -- that the primary driving force from the beginning of this operation was the President's desire to release the hostages.

MR. ZELNICK: According to informed sources, the White House has begun a low-key search for a successor in the event Casey is unable to return following brain cancer surgery performed here last week.

Sources say the list of leading candidates includes Bobby Inman, a former Deputy CIA Director, UN Ambassador Vernon Walters, William Odom, now head of the National Security Agency and former Senators John Tower and Howard Baker.

The CIA achieved great influence under Casey because of his close relationship with the President. For better or worse, most here feel that part of the Casey record will be tough for any successor to match.

Bob Zelnick, ABC News, Washington.